GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2902
ANSWERED ON:02.12.2016
Scrutiny by SEBI
Roy Prof. Saugata

Will the Minister of FINANCE be pleased to state:

(a) whether the SEBI has stepped up scrutiny on developments escalating from the fund in one of the biggest corporate houses; and

(b) if so, the details thereof and the steps taken by the SEBI to protect the interest of lakhs of depositors in the company?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) & (b) Whenever any violation of SEBI rules and regulations is observed, appropriate action as warranted is taken by SEBI against concerned entities. As far as surveillance activities are concerned, SEBI maintains constant vigil in the market and in case of any abnormality, takes appropriate action against the concerned entities. The systems and practices are in place to promote a safe, transparent and efficient market and to protect market integrity. The systems instituted include advanced risk management mechanisms comprising continuous monitoring and surveillance, various limits on positions, margin requirements, circuit filters, etc. The systems and practices are reviewed continuously and modified to meet emerging needs.

SEBI also monitors trading activities in addition to overseeing the surveillance functioning of the exchanges. Aberrations noted in trading activity, if any, exchange reports and complaints received are examined by SEBI.

SEBI has also been conducting regular meetings with officials of the stock exchanges and depositories and they have been advised to step up their own surveillance measures and to initiate expeditious demonstrative action wherever warranted so as to protect investors' interest and ensure orderly functioning of the stock market.

*****